
TRUESTART LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

TRUESTART LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|--|
| Directors | P A Cocker M A Truman R D Mergler W J Pearson |
| Registered number | 08610030 |
| Registered office | 18a/20 King Street Maidenhead Berkshire SL6 1EF |
| Independent auditors | Donald Reid Limited Chartered Accountants & Statutory Auditors Prince Albert House 20 King Street Maidenhead Berkshire SL6 1DT |

TRUESTART LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Business review

TrueStart is a retail and consumer innovation hub and accelerator.

The financial year-ended March 2021 represented another significant year of progress for TrueStart, despite unprecedented macro turmoil caused by the coronavirus pandemic and Brexit. The company successfully added to its list of corporate partners with agreements with Grosvenor, Oxford Properties, Warner Bros. and AB Foods, all the whilst ensuring key renewals of existing partners, further strengthening our global proposition. Such agreements help further differentiate our group proposition and evidence the strength of our sector specialist network that can be used for the benefit of all our portfolio companies.

Impact of Covid-19

Having started at the beginning of the financial year, the Covid-19 pandemic has continued spread across the globe causing major disruption to daily life for individuals and businesses, and continues up to the date of this report. Overall, the pandemic has had no adverse impact on the company. In preparation of this report, the directors have considered the impact of Covid-19 on the presentation of the financial statements contained herein. Based on the facts available as at the date of this report the general partner believes that the impact of Covid-19 has appropriately been treated in relation to the preparation of the financial statements as at 31 March 2021 and, as a result, no adjustment in respect of Covid-19 has been made the presentation of the performance of the partnership in the year to 31 March 2021 or of its financial position at 31 March 2021. In addition, and particularly due to the liquidity position of the company given the level of cash and robust income streams, the directors believe that the going concern basis of preparation remains appropriate.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the business are considered to relate to the competition from other private equity firms, employee retention, the on-going impact of Covid-19 and the impact of Brexit and the recovery of the UK economy.

As sector specialist investors we monitor the potential impact of all the above risks on an ongoing basis and are confident that our differentiated strategy positions us well to mitigate the challenges these risks could pose.

Financial key performance indicators

The directors consider that the key performance indicators are those that communicate the financial performance and strength of the company as a whole; these being turnover and more broadly, the company's corporate partnerships. With company turnover increasing by 16% to £2,499,334, the accounts demonstrate strong performance for the company.

This report was approved by the board on 27 July 2021 and signed on its behalf.

.....
P A Cocker
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Directors

The directors who served during the year were:

P A Cocker
M A Truman
R D Mergler
W J Pearson

Engagement with suppliers, customers and others

The Directors consider that they have acted in good faith to promote the success of the company for the benefits of its members, whilst performing their duties in accordance with s172(1) Companies Act 2006. Our relationships with our employees, suppliers, customers and other stakeholders are essential to achieving our Strategic Objectives outlined in this report. We regularly engage with new and existing stakeholders to improve business relationships for the benefit of customer value and service. We aim to work to advance the business and provide employees with fulfilling opportunities and personal growth.

TRUESTART LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Donald Reid Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 July 2021 and signed on its behalf.

.....
P A Cocker

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUESTART LIMITED

Opinion

We have audited the financial statements of Truemark Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUESTART LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUESTART LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiring of management concerning actual and potential litigation claims;
- performing analytical procedures to identify any unusual results that may indicate risks of material

misstatement due to fraud;

- reading minutes of meetings;
- assessing any management override of controls by testing journal entries and other adjustments and reviewing accounting estimates for indications of potential bias;
- evaluating any transactions that are unusual or outside the normal course of business; and
- maintaining alert to any fraud risks throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Reid (FCA) (Senior statutory auditor)

for and on behalf of

Donald Reid Limited

Chartered Accountants &
Statutory Auditors

Prince Albert House
20 King Street
Maidenhead
Berkshire
SL6 1DT

27 July 2021

TRUESTART LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|--|------|------------------|------------------|
| Turnover | 4 | 2,499,334 | 2,149,893 |
| Gross profit | | 2,499,334 | 2,149,893 |
| Administrative expenses | | (2,335,363) | (2,046,694) |
| Operating profit | 5 | 163,971 | 103,199 |
| Interest receivable and similar income | 8 | 21 | 80 |
| Profit before tax | | 163,992 | 103,279 |
| Tax on profit | 9 | (34,964) | (27,649) |
| Profit for the financial year | | 129,028 | 75,630 |
| Other comprehensive income for the year | | | |
| Total comprehensive income for the year | | 129,028 | 75,630 |

The notes on pages 11 to 22 form part of these financial statements.

TRUESTART LIMITED
REGISTERED NUMBER: 08610030

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 29,201 | 83,195 |
| Investments | 11 | 6,082 | 6,082 |
| | | <u>35,283</u> | <u>89,277</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 12 | 491,147 | 453,942 |
| Cash at bank and in hand | 13 | 339,043 | 629,513 |
| | | <u>830,190</u> | <u>1,083,455</u> |
| Creditors: amounts falling due within one year | 14 | (622,849) | (1,053,211) |
| Net current assets | | <u>207,341</u> | <u>30,244</u> |
| Total assets less current liabilities | | <u>242,624</u> | <u>119,521</u> |
| Provisions for liabilities | | | |
| Deferred tax | 16 | - | (5,925) |
| | | <u>-</u> | <u>(5,925)</u> |
| Net assets | | <u><u>242,624</u></u> | <u><u>113,596</u></u> |
| Capital and reserves | | | |
| Called up share capital | 17 | 19 | 19 |
| Share premium account | 18 | - | 287,861 |
| Profit and loss account | 18 | 242,605 | (174,284) |
| | | <u><u>242,624</u></u> | <u><u>113,596</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 July 2021.

.....
P A Cocker

Director

The notes on pages 11 to 22 form part of these financial statements.

TRUESTART LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

| | Called up share capital £ | Share premium account £ | Profit and loss account £ | Total equity £ |
|--|---------------------------------|-------------------------------|---------------------------------|-------------------|
| At 1 April 2020 | 19 | 287,861 | (174,284) | 113,596 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 129,028 | 129,028 |
| Reduction in share premium | - | - | 287,861 | 287,861 |
| Transfer to profit and loss account | - | (287,861) | - | (287,861) |
| At 31 March 2021 | 19 | - | 242,605 | 242,624 |

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

| | Called up share capital £ | Share premium account £ | Profit and loss account £ | Total equity £ |
|--|---------------------------------|-------------------------------|---------------------------------|-------------------|
| At 1 April 2019 | 19 | 287,861 | (249,914) | 37,966 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 75,630 | 75,630 |
| At 31 March 2020 | 19 | 287,861 | (174,284) | 113,596 |

The notes on pages 11 to 22 form part of these financial statements.

TRUESTART LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021

| | At 1 April 2020 | Cash flows | At 31 March |
|--------------------------|-----------------|------------------|----------------|
| | £ | £ | 2021 £ |
| Cash at bank and in hand | 629,513 | (290,470) | 339,043 |
| | <u>629,513</u> | <u>(290,470)</u> | <u>339,043</u> |

The notes on pages 11 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Truemark Limited (the "Company") is a private company limited by shares incorporated in England. The registered office and trading address of the Company is 18a/20 King Street, Maidenhead, Berkshire, United Kingdom, SL6 1EF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of True Capital Limited as at 31 March 2021 and these financial statements may be obtained from 18a/20 King Street, Maidenhead, Berkshire, United Kingdom, SL6 1EF.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue comprises amounts derived from the provision of innovation services to our corporate partners and the provision of desk space in True's Victoria Hub.

Included in revenue is facilities and services fee income which is recognised on an accruals basis, net of Value Added Tax.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured

reliably; and

- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---------------------|--|
| Fixtures & fittings | - 16.66%, 25% straight line, 33% straight line |
| Computer equipment | - 25% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Depreciation costs are areas which require judgement. The applicable accounting policies detailing this area are shown in the notes above. Specifically, the main area where judgement has been implied is the useful life of intangible and tangible assets.

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2021 £ | 2020 £ |
|----------------|------------------|------------------|
| United Kingdom | 2,499,334 | 2,149,893 |
| | <u>2,499,334</u> | <u>2,149,893</u> |

Analysis of turnover by country of destination:

| | 2021 £ | 2020 £ |
|----------------|------------------|------------------|
| United Kingdom | 2,499,334 | 2,149,893 |
| | <u>2,499,334</u> | <u>2,149,893</u> |

5. Operating profit

The operating profit is stated after charging:

| | 2021 £ | 2020 £ |
|---------------------------------------|----------------|----------------|
| Depreciation of tangible fixed assets | 51,485 | 63,754 |
| Exchange differences | 4,374 | (3,611) |
| Other operating lease rentals | <u>161,256</u> | <u>213,410</u> |

6. Auditors' remuneration

| | 2021 £ | 2020 £ |
|---|--------------|--------------|
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | <u>4,000</u> | <u>3,000</u> |

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

| | 2021 No. | 2020 No. |
|-----------|-------------|-------------|
| | <u>4</u> | <u>5</u> |
| Directors | | |

During the period there were no staff other than directors, who were not remunerated via this company.

8. Interest receivable

| | 2021 £ | 2020 £ |
|---------------------------|-----------|-----------|
| Other interest receivable | <u>21</u> | <u>80</u> |
| | <u>21</u> | <u>80</u> |

9. Taxation

| | 2021 £ | 2020 £ |
|--|----------------|---------------|
| Corporation tax | | |
| Current tax on profits for the year | 41,256 | 18,335 |
| Adjustments in respect of previous periods | 163 | - |
| | <u>41,419</u> | <u>18,335</u> |
| Total current tax | <u>41,419</u> | <u>18,335</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | (6,455) | 9,314 |
| Total deferred tax | <u>(6,455)</u> | <u>9,314</u> |
| Taxation on profit on ordinary activities | <u>34,964</u> | <u>27,649</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

| | 2021 £ | 2020 £ |
|--|----------------------|----------------------|
| Profit on ordinary activities before tax | <u>163,992</u> | <u>103,279</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 31,158 | 19,623 |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | <u>3,806</u> | <u>8,026</u> |
| Total tax charge for the year | <u>34,964</u> | <u>27,649</u> |

Factors that may affect future tax charges

On 3 March 2021 the UK government announced that the standard rate of corporation tax in the UK would change from 19% to 25% from 2023. This change had not been substantively enacted at the balance sheet date.

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|-------------------------------|----------------------------|---------------|
| Cost or valuation | | | |
| At 1 April 2020 | 235,525 | 81,469 | 316,994 |
| Additions | - | 17,212 | 17,212 |
| Disposals | (235,525) | (47,100) | (282,625) |
| At 31 March 2021 | - | 51,581 | 51,581 |
| Depreciation | | | |
| At 1 April 2020 | 175,418 | 58,380 | 233,798 |
| Charge for the year on owned assets | 40,386 | 11,099 | 51,485 |
| Disposals | (215,804) | (47,099) | (262,903) |
| At 31 March 2021 | - | 22,380 | 22,380 |
| Net book value | | | |
| At 31 March 2021 | - | 29,201 | 29,201 |
| At 31 March 2020 | <u>60,107</u> | <u>23,089</u> | <u>83,196</u> |

11. Fixed asset investments

| | Unlisted investments £ |
|--------------------------|------------------------------|
| Cost or valuation | |
| At 1 April 2020 | 6,082 |
| At 31 March 2021 | <u>6,082</u> |

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Debtors

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 287,930 | 308,738 |
| Amounts owed by group undertakings | 115,141 | - |
| Other debtors | 81,087 | 62,285 |
| Prepayments and accrued income | 6,459 | 82,919 |
| Deferred taxation | 530 | - |
| | <u>491,147</u> | <u>453,942</u> |

13. Cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 339,043 | 629,513 |
| | <u>339,043</u> | <u>629,513</u> |

14. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|------------------|
| Trade creditors | 11,527 | 101,313 |
| Amounts owed to group undertakings | - | 77,500 |
| Corporation tax | 41,256 | 18,335 |
| Other creditors | 4,740 | 7,138 |
| Accruals and deferred income | 565,326 | 848,925 |
| | <u>622,849</u> | <u>1,053,211</u> |

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Financial instruments

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Financial assets | | |
| Trade debtors | 287,930 | 308,738 |
| Intercompany loans | 115,141 | - |
| Other debtors | 81,087 | 62,285 |
| | <u>484,158</u> | <u>371,023</u> |
| Financial assets that are debt instruments measured at amortised cost | | |
| Financial liabilities | | |
| Trade creditors | (11,527) | (101,313) |
| Intercompany loans | - | (77,500) |
| Other creditors | (4,740) | (7,138) |
| Accruals | (178,409) | (133,259) |
| | <u>(194,676)</u> | <u>(319,210)</u> |
| Financial liabilities measured at amortised cost | | |

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Deferred taxation

| | 2021 £ | 2020 £ |
|---------------------------|------------|----------------|
| At beginning of year | (5,925) | 3,389 |
| Charged to profit or loss | 6,455 | (9,314) |
| At end of year | 530 | (5,925) |

The deferred taxation balance is made up as follows:

| | 2021 £ | 2020 £ |
|--|------------|----------------|
| Decelerated/(accelerated) capital allowances | 530 | (5,925) |
| | 530 | (5,925) |

17. Share capital

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Allotted, called up and fully paid | | |
| 1,907 (2020 - 1,907) Ordinary A shares of £0.01 each | 19 | 19 |

18. Reserves

Share premium account

The share premium account records the amount above the nominal value received for shares sold, less transaction costs.

During the year the directors passed a Special Resolution to reduce the share premium account of the Company to £Nil by payment of the sum of £287,861 into the Company P&L reserves.

Profit and loss account

The profit & loss account includes all current and prior period retained profit and losses made by the group.

TRUESTART LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2021 £ | 2020 £ |
|-----------------------|-----------|----------------|
| Not later than 1 year | - | 113,099 |
| | <u>-</u> | <u>113,099</u> |

20. Related party transactions

At the year end, included in amounts owed by group undertakings is the amount of £115,141 (2020: £77,500 included in amounts owed to group undertakings) owed to the company by True Capital Ltd, the parent company.

21. Controlling party

The ultimate parent undertaking and ultimate controlling party is True Capital Ltd due to it owning 100% of the ordinary issued share capital. The registered office address of True Capital Ltd is 18a/20 King Street, Maidenhead, Berkshire, United Kingdom, SL6 1EF.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.